**APPENDIX E (LEGACY SYSTEM CAPITAL INVESTMENT PROPOSAL CRITERIA CONTINUED)**

Legacy System proposals should address the following five criteria to meet the requirements of the VA Capital Investment Planning Process.

- Mission
- Customer Service
- IT Architecture
- Return on Taxpayer Investment
- Risk Analysis

Proposal applications should also contain the information requested in Chapter III, Part I of the Capital Investment Proposal Application.

Please note: All statements and assumptions should be supported by data calculations and documentation. Please attach all supporting documentation as appendices to the proposal. The Data Validation form (*Section 2.2.d*) for Legacy Systems proposals is included.

1. MISSION

- State how this system supports and/or integrates with the VA Strategic Plan and the program (e.g., VHA, VBA, NCA, Staff Offices) business and administrative plans. Identify any applicable goals or objectives and reference resource documents.
- Provide information on performance measures that are in place. If performance measures are not in place, provide plans to address and evaluate these measures.

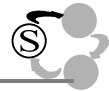
Definitions and examples are in *Appendix D-2*.

2. CUSTOMER SERVICE

Identify ways in which this system addresses the five sub-criteria of Customer Service:

- Quality
- Waiting Time
- Increase in Customers
- Increased Benefits
- Increase Access to Existing Customers

Definitions and examples are in *Appendix D-1*.

**APPENDIX E (LEGACY SYSTEM CAPITAL INVESTMENT PROPOSAL CRITERIA CONTINUED)****3. IT ARCHITECTURE**

- Provide dates of system deployment and furnish a schedule of planned modernization of all existing system components.
- Show the extent to which the system is consistent with VA's Technical Architecture, dated May 1999. Describe how this system impacts other applications in terms of interoperability and functional requirements. *Provide written documentation from your VA IT Architecture Team representative, confirming project adherence to VA's established performance principles, models and standards.*
- Describe or indicate the current status of the Security Plan for this legacy system that ensures appropriate confidentiality, integrity and availability. This includes rules of the system, training, personnel controls, incident response capability, continuity of support, technical security and system interconnection.
- Provide current accreditation status.
- Cite any areas of nonconformance to existing VA and Administration/Staff Office policies for security, privacy and record retention.
- Summarize key life cycle information security milestones for the initiative, including dates and associated costs.
- Identify the Project Security Officer include phone number and internet address.

Definitions and examples are in *Appendix D-2*.

4. RETURN ON TAXPAYER INVESTMENT

Provide the four components of Return on Taxpayer Investment (ROTI).

- Cost-Effectiveness Analysis
- Alternatives Analysis
- Cost Savings Analysis
- Non-Quantifiable Benefits

Definitions and examples are located in Chapter III, Part II, Section 2 - Return on Taxpayer Investment. Templates and guides for the Cost-Effectiveness (Chapter IV-D) and Alternatives Analysis (Chapter IV-E) have been created to assist proposal writers.

Please note: If a cost benefit analysis (CBA) has been conducted in the last three years, refresh your analyses with up-to-date information to reflect changes in projected costs,



APPENDIX E (LEGACY SYSTEM CAPITAL INVESTMENT PROPOSAL CRITERIA CONTINUED)
benefits or major requirements. At least two viable alternatives must be evaluated. These include status quo and contracting out. In the absence of a CBA, a cost-effective analysis (CEA) should be provided to show a comparison of cost for economies of scale, including an assessment of technical and financial risks.

If a CBA analysis has not been conducted, a proposer must provide an explanation why one has not been completed and when one will be completed. At a minimum, a CEA analysis as described in section 4 must be completed every three years.

Definitions and examples are in *Appendix D-1*.

5. RISK ANALYSIS

- Describe known or anticipated risks, including technical and financial risks, and how they can be minimized.
- Develop a Risk Management Plan to address the management and mitigation of the risks.
- List relevant audits and studies conducted within the past 3 years. Identify who did them and their key findings.

Definitions and examples are in *Appendix D-2*.

Recent Guidance Received From GAO:

It is not enough to reference the relevant audits and studies conducted. You must attach a complete copy of the study or audit.

